Santa Fe Irrigation District



October 4, 2013

Mr. Keith Wallace, Project Manager California Department of Water Resources Division of Integrated Regional Water Management Financial Assistance Branch Post Office Box 942836 Sacramento, CA 94236

VIA EMAIL TRANSMISSION ONLY: keith.wallace@water.ca.gov

Re: Draft Funding Recommendations for the Proposition 84 Round 2 Implementation Grant Program

Dear Mr. Wallace,

The Santa Fe Irrigation District (SFID) serves potable water and recycled water to over 19,000 residents within the North San Diego County communities of Rancho Santa Fe, Fairbanks Ranch, and the City of Solana Beach. This letter serves to express SFID's serious concerns regarding the Proposition 84 Round 2 draft award amount for the San Diego funding area. As it stands, the award allocation would be cut from \$13 million to \$7.5 million, while the Los Angeles-Ventura area is being increased from \$31 million to \$43 million.

As you may be aware SFID, along with several other representatives from a broad range of water management interest, actively participate in the San Diego Integrated Water Resources Management Program. This diverse group assisted in the completion of San Diego's Integrated Regional Water Management Plan and collaboratively worked together to prioritize water resource projects that are important to the region. A great deal of time and financial resources was expended in the evaluation of projects and the development of associated funding applications. Great care was taken to understand DWR objectives and to comply with the requirements of DWR solicitations. Based upon this, it is extremely disconcerting that the proposed Draft award for the San Diego funding area is half of the stated allocation for Round 2, when other funding areas may receive more than 100% of the stated allocation.

SFID requests that the DWR revisit and rescore the San Diego Funding Area Application, and revise the Award amount to 100% of the requested funding based on the following facts:

- 1. The San Diego Funding Area application was responsive to DWR's solicitation and contained detailed and thoughtful analysis of the benefits that would accrue from the funding.
- 2. It appears DWR Reviewers clearly misunderstood aspects of certain projects (specifically the North San Diego County Regional Recycled Water Project) which dramatically impacted the scoring for the overall application. Apparently, critical incorrect assumptions were made by the DWR reviewers that could have easily been avoided by a more thorough review of the application.

In addition, the DWR should reconsider the approach used by DWR Staff to review and understand applications before publishing draft findings and award amounts. It is important that a thorough review of the applications take place and that adequate time is available to respond to any DWR Staff questions or clarifications. Answers to questions raised by the DWR reviewers were included in the application. If needed, DWR Reviewers should reach out to the applicants for assistance to improve their understanding of the proposed projects. In this case, a lack of understanding of these important water resource projects has resulted in an inappropriate score and a 50% cut in allocation to the San Diego funding area.

Please revisit and rescore the San Diego Funding Area application, and provide the 100% funding it deserves.

Regards,

Michael J. Bardin General Manager

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